

The House Committee on Judiciary offers the following substitute to SB 58:

A BILL TO BE ENTITLED

AN ACT

To amend Title 36 of the Official Code of Georgia Annotated, relating to local government, so as to provide procedures for issuing bonds, allocating bond proceeds, and distributing property that has been or may be improved using bond proceeds in a county that has activated a public safety and judicial facilities authority; to provide for the transfer to certain municipalities of certain county property located within the geographical boundaries of the municipality; to provide for definitions, procedures, conditions, limitations, and pricing requirements; to provide for requirements regarding water and sewer services; to clarify certain terms; to clarify the application of the referendum requirement for the issuance of bonds by certain authorities; to provide an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Title 36 of the Official Code of Georgia Annotated, relating to local government, is amended by adding a new Code section to read as follows:

"36-31-11.1.

(a) As used in this Code section, the term:

(1) 'County' means a county in which a tax is being levied and collected for purposes of a metropolitan area system of public transportation and in which a public safety and judicial facilities authority has been activated by the county pursuant to Chapter 75 of this title.

(2) 'Fire station' means any property or facility located wholly within the territory of a qualified municipality, including buildings and fixtures located on such property owned by the county or subject to a lease-purchase or installment sale arrangement by the county and used by the county to provide fire protection services authorized by Article IX, Section II, Paragraph III(a)(1) of the Constitution.

(3) 'Park' means any property or facility located wholly within the territory of a municipality, including but not limited to athletic fields, athletic courts, recreation centers, playgrounds, swimming pools, arts centers, historical properties, and adjacent greenspace, and the fixtures located on such property or in such facility owned by the county or subject to a lease-purchase or installment sale arrangement by the county and used by the county to provide any services authorized by Article IX, Section II, Paragraph III(a)(5) of the Constitution or to provide any services authorized by Article IX, Section II, Paragraph III(a)(10) of the Constitution.

(4) 'Qualified municipality' means any new municipality located in a county and created by local Act which becomes law on or after January 1, 2008.

(b) A qualified municipality that succeeds to the control of local government services pursuant to Article IX, Section II, Paragraph III(a) of the Constitution may take control of and hold title to parks and fire stations as a trustee or agent for the public.

(c)(1) A qualified municipality located within a county which has a special district for the provision of fire services shall continue to be part of such special fire district where the local Act creating such qualified municipality so provides or where the governing authority of the qualified municipality elects by formal resolution to continue to be part of the special fire district and delivers a copy of such resolution to the governing authority of the county within 30 days after the date the resolution is adopted.

(2) If a qualified municipality initially elected to remain in a fire services special district, such municipality shall be removed from such fire services special district by adopting a resolution stating its intent to be removed from the district and the date of removal, provided the governing authority of the qualified municipality delivers a copy of such resolution to the governing authority of the county. The fire services shall be discontinued by the county on the first day of the next fiscal year of the county that begins at least 180 days after the specified notice is received by the county.

(d) A qualified municipality located within a county that charges fees on a periodic basis for the provision of water or sewer services, or both, may elect to continue receiving such services for the same fees charged residents in the unincorporated area of the county. Such election may be set forth in the local Act creating such qualified municipality or be made by resolution of the governing authority of the qualified municipality provided the governing authority of the qualified municipality delivers a copy of such resolution to the governing authority of the county within 30 days after the date the resolution is adopted.

(e) The county shall not convey, otherwise encumber, move any fixtures or buildings, or enter into any contractual obligations with respect to any park or fire station located in the qualified municipality. The governing authority of the county shall assign to the governing authority of the qualified municipality all of its right, title, and interest in any executory

contract in effect on any park or fire station that the qualified municipality elects to purchase as provided in this Code section. Such assignment shall be effective on the date the municipality assumes ownership of any such park or fire station or as otherwise may be agreed between the governing authority of the municipality and the governing authority of the county.

(f) A municipality may elect to purchase parks within the territory of the municipality from the county in which the municipality is located. Notwithstanding any other law to the contrary, whenever a municipality elects to purchase any such parks, the governing authority of the municipality shall provide written notice to the governing authority of the county specifying the parks to be purchased and the date or dates the municipality will assume ownership of such parks; the purchase price for such parks shall be \$100.00 per acre. Such notice shall be provided for each such park no less than 30 days prior to the date the municipality intends to assume ownership.

(g) Upon the payment of the purchase price, all of the county's right, title, and interest in the parks that the municipality elects to purchase shall be transferred to the governing authority of the municipality. Such transfer shall be effective on the date the municipality intends to assume ownership of such parks and as stated in the notice given pursuant to subsection (f) of this Code section. The governing authority of the county shall transfer, execute, and deliver to the governing authority of the municipality such instruments as may be necessary to record the transfer of such right, title, and interest. Notwithstanding any provision in any property deed or law to the contrary, a municipality may purchase a park from the county without permission of the state and may use such park for all purposes for which the county was authorized under such deed or law.

(h) In the event a park is transferred by a county to a municipality under this Code section, the municipality shall be prohibited from imposing or collecting user fees from residents of the county in excess of the amount of such fees imposed or collected from residents of the municipality.

(i) Where residents of a municipality are required pursuant to Code Section 36-31-11 to continue to pay taxes for the purpose of retiring any special district debt created by the issuance of bonds by the county on behalf of the special district for the purpose of improving parks and the municipality elects to purchase any such park pursuant to this Code section, the county shall transfer to the municipality as an agent of the special district the portion of the bond proceeds that the county planned to spend on such park at the time of the referendum on the bonds, based upon any statements of intention or representations concerning use of the bond proceeds by the governing authority of the county. Such amount shall be determined based on county resolutions and any attachments thereto, staff recommendations, or similar documents presented at the time of passage of a resolution,

county records, and any public statements or representations made by county managers, representatives, officials, or their agents as to the amount that would be spent on such park in order to solicit voter support for the referendum; provided, however, that the amount to be transferred by the county to the municipality shall be reduced by any amount spent by the county to improve such park prior to the date of the municipality's notice of its election to purchase the park as provided in subsection (f) of this Code section. The transfer shall be due within 30 days after the municipality assumes ownership of any such park. The municipality shall be required to expend any such funds for and on behalf of the special district in a manner consistent with the purpose and intent of the issuance of the bonds.

(j) A qualified municipality may elect to purchase one or more fire stations from the county in which it is located. Notwithstanding any other law to the contrary, whenever a qualified municipality elects to purchase a fire station from the county, the governing authority of the qualified municipality shall provide written notice to the governing authority of the county specifying the fire station to be purchased and the date or dates the qualified municipality will assume ownership of such fire station. Such notice shall be provided with respect to each such property no less than 30 days prior to the date the qualified municipality intends to assume ownership of the fire station.

(k)(1) Except as otherwise provided in paragraph (2) of this subsection, if a qualified municipality elects to purchase a fire station that serves only territory wholly within the qualified municipality, the purchase price shall be \$5,000.00 for each such fire station.

(2) If the county uses a fire station to serve an area located outside the qualified municipality, the purchase price for each such fire station shall be \$5,000.00 plus an additional amount determined as provided in this paragraph. Such additional amount shall be the product of the fair market value of such fire station multiplied by the percentage of the total service area of such fire station which is located outside of the corporate limits of the qualified municipality. If the portion served outside the qualified municipality exceeds 20 percent of the total service area, then from the date the qualified municipality assumes ownership of such fire station, the qualified municipality shall be obligated to offer to lease the fire station back to the county for a period not to exceed two years for an amount of \$10.00 for the lease period.

(l) If a county and municipality fail to reach an agreement on the amount to be paid or any related matter under this Code section, either the county or the municipality may petition the superior court to seek resolution of the items in dispute. Such petition shall be assigned to a judge, pursuant to Code Section 15-1-9.1 or 15-6-13, who is not a judge in the circuit in which the county is located. The judge selected may also be a senior judge pursuant to Code Section 15-1-9.2 who resides in another circuit. The visiting or senior judge shall

conduct an evidentiary hearing or hearings as such judge deems necessary and render a decision with regard to the disputed items."

SECTION 2.

Said title is further amended by revising Code Section 36-75-11, relating to resolutions and referendums required prior to issuance of bonded indebtedness for new projects, as follows:

"36-75-11.

(a) On and after May 24, 2007, no public safety and judicial facilities authority created and activated by a single county pursuant to this chapter shall be authorized to issue ~~bonded indebtedness~~ bonds for new projects unless a resolution approving such projects passed by a majority vote of the governing authority of the county that created and activated such authority was ratified by the electors of the county in a referendum.

(b) ~~If The proceeds of bonds issued by a public safety and judicial facilities authority created and activated by a single county pursuant to this chapter desires to fund multiple projects in a bond issue, such projects and any interest on such proceeds shall be ranked in the order they will be funded after approval by the governing authority and ratification by the electors under this Code section used only for the projects set forth in the resolution approving the issuance of such bonds or for debt service on such bonds. Such order of funding shall be binding on the public safety and judicial facilities authority and such projects shall be funded in the order approved unless a different order is submitted to the governing authority for approval and electors for ratification.~~

(c) Any authority other than the type of authority defined in paragraph (1) of Code Section 36-75-3:

(1) Which is authorized by general or local Act to operate and ~~incur bonded indebtedness~~ issue bonds in a single county that has activated or that activates a public safety and judicial facilities authority pursuant to this chapter; and

(2) Which constructs or operates buildings or facilities for use by any department, agency, division, or commission of any county that has activated or that activates a public safety and judicial facilities authority pursuant to this chapter

shall obtain approval by resolution and referendum as provided in this Code section prior to issuing bonds for any new buildings, ~~or facilities, or real property~~ or improvements to existing buildings, or facilities, or real property and shall be bound to such resolution as provided in subsection (b) of this Code section.

(d) Subsections (a), (b), and (c) of this Code section shall apply only to the issuance of bonds the principal and interest of which will be repaid, directly or indirectly, in whole or in part, through funds of the county by agreement between the county and:

171 (1) A public safety and judicial facilities authority created and activated pursuant to this
172 chapter; or
173 (2) Any authority other than the type of authority defined in paragraph (1) of Code
174 Section 36-75-3 that meets the conditions set forth in paragraphs (1) and (2) of
175 subsection (c) of this Code section.
176 (e) The provisions of this Code section shall not apply under any circumstances to the
177 issuance of 'recovery zone economic development bonds' and 'recovery zone facility bonds'
178 as such terms are defined in Section 1401 of the federal American Recovery and
179 Reinvestment Act of 2009."

180 **SECTION 3.**

181 This Act shall become effective upon its approval by the Governor or upon its becoming law
182 without such approval.

183 **SECTION 4.**

184 All laws and parts of laws in conflict with this Act are repealed.